



State Capitol  
Lansing, Michigan 48913  
517/373-7888  
1-888-937-4453  
517/373-2983 (fax)  
sengjacobs@senate.michigan.gov

**GILDA Z. JACOBS**  
**MICHIGAN SENATE**  
**ASSISTANT DEMOCRATIC FLOOR LEADER**  
**FOURTEENTH DISTRICT**

Committees  
Economic Development, Small  
Business and Regulatory Reform VC  
Families and Human Services VC  
Government Operations  
Health Policy

# The Jacobs Report

**FOR IMMEDIATE RELEASE**  
**Friday, May 21, 2004**

**CONTACT: Matt Levin**  
**(517) 373-7888**

---

## **GOVERNOR LEADS MICHIGAN JOB COUP**

This week Governor Granholm announced that nine companies in eight communities across Michigan will be expanding or locating in the state, helping to create and retain more than 8,600 direct and indirect jobs and spurring more than \$90 million in private investment. The decisions are the result of assistance to the following companies by the Michigan Economic Development Corporation (MEDC): Benteler Automotive Corporation, Dawn Food Products, General Dynamics Land System, Jatco USA, Kellogg Company, Michigan Packaging Company, Quicken Loans/Rock Financial, RLP Technologies, and TG North America.

“The jobs we are announcing today are the kind of jobs that are critical to creating Michigan’s 21st century economy,” Granholm said. “Their diversity and sheer number are proof that Michigan’s business climate remains friendly to companies that want to invest and create jobs here. Clearly, our state and local economic development initiatives and our top-notch workforce have what it takes to make Michigan an economic powerhouse in the 21st century.”

In her 2004 State of the State address, Granholm announced a focused plan for growing Michigan’s economy and maintaining the quality of life that Michigan residents have come to expect. To date, the Governor and the MEDC have announced the creation or retention of approximately 14,321 jobs as a result of targeted assistance provided by the MEDC in 2004.

The projects resulting from today’s announcement will help to create and retain 2,866 direct jobs for Michigan workers. According to a University of Michigan economic analysis, another 5,817 indirect jobs are expected as a result of increased economic activity associated with the expansions and relocations, for a total of 8,683 jobs.

The projects announced today include RLP Technologies (RLPT) of Farmington Hills, a wholly owned research and development subsidiary company of R.L. Polk & Co. RLPT will open a new facility in Farmington Hills, specializing in building industry-leading data warehouses and the tools and the applications to mine intelligence from data. The project will create 50 jobs in the first year and a total of 142 over five years.

--more--

State Representative Aldo Vagnozzi (D-Farmington Hills) and State Senator Gilda Jacobs (D-Huntington Woods) joined Governor Jennifer Granholm last week at a news conference to announce the good news.

The lawmakers worked with the Governor and MEDC to offer assistance to RLTP.

“In this time of economic uncertainty, we need to do everything possible to create new jobs and protect the jobs we have in Oakland County,” Rep. Vagnozzi said. “This decision is more evidence that when we work together we can match our skilled workforce with 21<sup>st</sup> Century jobs.”

Senator Jacobs added, “The key to future economic development is to find more doors to open for businesses who want to take advantage of all that our communities have to offer. If we do that, we can be competitive with any community anywhere.”

RLP’s new Farmington Hills facility will specialize in building industry leading data warehouses and the tools and applications to mine intelligence from data. The project will create 50 jobs in the first year and a total of 142 of five years.

The project provides a timely boost to Oakland County’s economy, which like the rest of the state has been hard hit by a lack of good-paying jobs. Michigan's unemployment rate has remained above the national average for three years. Unlike the past two years, however, Michigan's unemployment rate in 2003 increased faster than the national average. Michigan's unemployment rate rose on a similar track as the national average in 2001 and 2002.

The Michigan Economic Development Corporation, a partnership between the state and local communities, promotes smart economic growth by developing strategies and providing services to create and retain good jobs and a high quality of life. For more information on the MEDC’s initiatives and programs, visit the Web site at [www.michigan.org](http://www.michigan.org).

## **HOUSE SNUFFS OUT TOBACCO TAX; CUTS POPULAR PROGRAMS**

Last week, the Michigan House rejected Governor Jennifer Granholm’s proposed 75-cent per pack cigarette tax hike and then—in a move that startled many Capitol observers—passed \$266.6 million in spending cuts.

Both results were surprising.

Wednesday afternoon, cigarette tax opponents expected to round up enough votes to pass the increase supported by Gov. Granholm, who wants to prevent a \$30 per pupil pro-rata reduction to K-12 schools this year and to cover rising Medicaid caseloads next year. But as session lasted late into the night, conservatives were successful in mustering enough votes to thwart the tax increase (44-53) *and* to pass (55-51) a round of politically unpopular cuts, including:

1% cuts to all departments (except Transportation), public universities and community colleges (\$90 million)

Eliminating Medicaid eligibility for caretaker relatives (\$42 million)

Limiting Merit Award to those with "C" average (\$20 million)

Early retirement eligibility for 9,000 state employees (4,859 estimated to take advantage) with 3 of 4 retirees replaced (\$16.9 million)

Day care for welfare recipients (\$14.8 million)

Eliminating funding for prisoner education (\$14.8 million)

Cutting arts grants (\$10 million)

Rep. Gretchen Whitmer (D-East Lansing), called the cuts “devastating” to a number of people, particularly caretaker relatives who just had their Medicaid eligibility restored. “These are people who are going to wake up tomorrow morning, and they are going to be stunned,” she said.

Far from a finality, the GOP budget is just one step in what should prove to be a long and painful partisan budget process. The governor has remained steadfast in her opposition to any cuts that affect health care and services affecting the state’s quality of life. If anything, Wednesday’s votes indicate that a budget solution remains distant as the current fiscal year deficit sits at \$300 million and next year’s looms at \$1 billion.

### **SIGN THE SMOKE-FREE RESTAURANT PETITION**

By signing the Michigan Smoke-free Dining Act Petition, you are helping support efforts to ensure that you, your family, and fellow diners have the right to eat in a public restaurant without being exposed to secondhand smoke, a Group A carcinogen that contains 4,000 chemicals including 43 cancer-causing chemicals. For more information, please visit:

<http://www.smokefreediningpetition.com/>.

All Michigan legislation can be tracked at <http://www.legislature.michigan.gov/>.

**State Senator Gilda Jacobs** represents the 14<sup>th</sup> Senate District, which includes Beverly Hills, Bingham Farms, Farmington, Farmington Hills, Ferndale, Franklin, Hazel Park, Huntington Woods, Lathrup Village, Oak Park, Pleasant Ridge, Royal Oak Township, Southfield, and Southfield Township. She is the Minority Vice Chair of the Families & Human Services Committee and the Economic Development, Small Business & Regulatory Reform Committee. She also serves on the Government Operations and Health Policy Committees.

**Constituents of the 14<sup>th</sup> District may contact Senator Jacobs at [sengjacobs@senate.michigan.gov](mailto:sengjacobs@senate.michigan.gov) or toll-free at 1-888-937-4453.**

This newsletter is produced in single-space form in order to save paper and transmission costs.

####